

16 March 1976

MEMORANDUM FOR THE RECORD

SUBJECT: Organization for National Production

1. On 15 March the DCI met with Mr. Saunders, Director, INR, to discuss organization for national production. Mr. Saunders was accompanied by Messrs. Kirk, Packman, and McAfee.

2. Mr. Saunders offered no objection to the general arrangement proposed by the DCI. He voted strongly in favor of a device like the NIO's, whom he characterized as capable of getting access to the full range of CIA's capabilities in their fields of expertise, thus avoiding the necessity of contacting several offices.

3. Mr. Packman compared the NIO system favorably with the Board and Staff of National Estimates. He described the Board as "arrogant" and detached from both the concerns of the consumer and the facts of the analyst. Mr. Saunders also put great emphasis on the necessity that any system marry both these elements.

4. Mr. Saunders then referred to the CFI. He said the Department of State, since it did not have membership, was concerned that it be fully apprised of CFI undertakings. He asked how State could relate to CFI and to the IC Staff. Mr. Bush asked me to take the matter up with Mr. Saunders. (I separately told Mr. Saunders that this interaction might take place:

- through the sub-Committee structure, in which State would be represented;
- through participation in the IC Staff;
- through participation by invitation in selected CFI meetings;
- possibly through assignment of a State liaison officer to the IC Staff.

I urged Mr. Saunders to discuss the matter further with Mr. Knoche.)

5. Mr. McAfee then referred briefly to State-DDO relations. He urged that CIA lean in the direction of fuller briefing of the Ambassador on the scene, especially when the Ambassador was a professional.

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